



State of Utah

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# **DWS News Release**

For 9:00 a.m. Release

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## **UTAH'S EMPLOYMENT SITUATION: February 2006**

Utah's seasonally-adjusted unemployment rate for February registered 3.8 percent, down 0.6 percentage points from the unemployment rate of 4.4 percent registered a year ago in February, 2005. Approximately 49,700 Utahns were unemployed in February, 2006 as compared to 55,300 in February, 2005. January's unemployment rate has been revised upward to 3.9 percent.

Utah's other primary indicator of current labor market conditions, the year-over change in the number of nonfarm wage and salaried jobs, registered 4.4 percent. This number represents continued strong employment growth in Utah. January's employment growth has been revised down to 4.5 percent from the 4.8 percent forecasted last month.

Mark Knold, Senior Economist for the Department of Workforce Services commented, "The current employment growth in the mid 4-percent range is the best period of employment growth Utah has experienced since the early part of 1997. Utah's long-term average employment growth is 3.3 percent per year, so we're currently performing above average. We last operated at or above average in 1998. Utah had eight years where population grew at or above average, but the economy grew below average. This creates a population-to-job-count imbalance. With the overall national economic environment improving last year, the Utah economy was freed to close the gap between population gains and economic support. I believe the closing of this gap is the underlying reason Utah's economy is currently performing as one of the best state economies in the nation."

Since February, 2005, the United States' economy has added 2.1 million new jobs — a growth rate of 1.6 percent. Over the past year, Utah's economy added approximately 49,300 new jobs, a growth rate of 4.4 percent. The Utah additions represent about 2.3 percent of all the new jobs added in the United States over the past year. The United States' unemployment rate registered 4.8 percent in February.

As has been the case throughout most of Utah's current economic expansion, all industrial sectors are contributing to the employment growth. This ranges from a high of 11,500 new jobs over the past year in the professional and business services sector, to 800 new jobs in the small category labeled "other services."

The professional and business services sector consists of around 150,700 jobs in Utah, or 13 percent of the state's employment base. It consists of two large subsectors — professional and technical services, and administrative and waste services. The former consists of jobs that are

generally higher-paying and require secondary educational training and expertise. These include, but are not limited to, engineers, architects, accountants, drafters, scientific researchers, and marketing professionals. This area added roughly 5,000 new jobs over the past year.

The other large sector within professional and business services is administrative and waste services. The big industries there are employment placement agencies, temporary help services, and telemarketing activities. This wing of professional and business services is larger, and it added over 6,000 new jobs during the past year.

About 60 percent of all the jobs in the professional and business services sector in Utah are found in Salt Lake County. However, over the past year, roughly 68 percent of the 11,500 new jobs in the professional and business services sector developed in Salt Lake County. This higher proportion is being driven by the administrative and waste services side, with 70 percent of the 6,000 jobs added in that sector centered in Salt Lake County. On the other side, the development of new professional and technical jobs was not disproportionately centered in Salt Lake County, but instead followed a pattern equal to their previous proportional distribution throughout the state.

Construction is currently a booming industry in Utah. It is adding new jobs at a higher proportion than its overall presence within the Utah economy. To illustrate, the entire economy added 49,300 new jobs over the past year. The construction sector added 9,500 of these new jobs, so the construction industry accounted for 19 percent of all new jobs. But when you look at the construction industry's share of all Utah jobs — new and existing — it represents 7 percent of the economy. An industry is "booming" when it constitutes 7 percent of the state's total jobs, but accounts for 19 percent of all its new jobs.

Natural resources is another industrial sector adding new jobs in a higher proportion than its normal contribution to the economic base. A minor drawback is that this sector is so small in Utah that even though it produced 2.8 percent of all new jobs while it makes up less than 1 percent of the state's economic base, that excessive proportion is still a small number. The 1,400 new jobs added over the past year is small, but some of the state's energy-dependant economies — like Uintah, Duchesne, and Carbon counties — welcome these small, but to them, significant, gains.

The trade, transportation, utilities sector added around 7,900 new jobs over the past year. That is quite respectable, but is it considered a "boom" for this industry? Not really. This is the state's largest sector. At approximately 226,700 jobs, this sector makes up 19 percent of the economic base. The 7,900 new jobs added over the past year are 16 percent of all new jobs created. That's a sizeable percentage, but is actually a percentage slightly smaller than that industry's overall proportion of the economic base.

**Utah's March employment numbers will be released at 9:00 a.m. on Tuesday, April 18, 2006.**

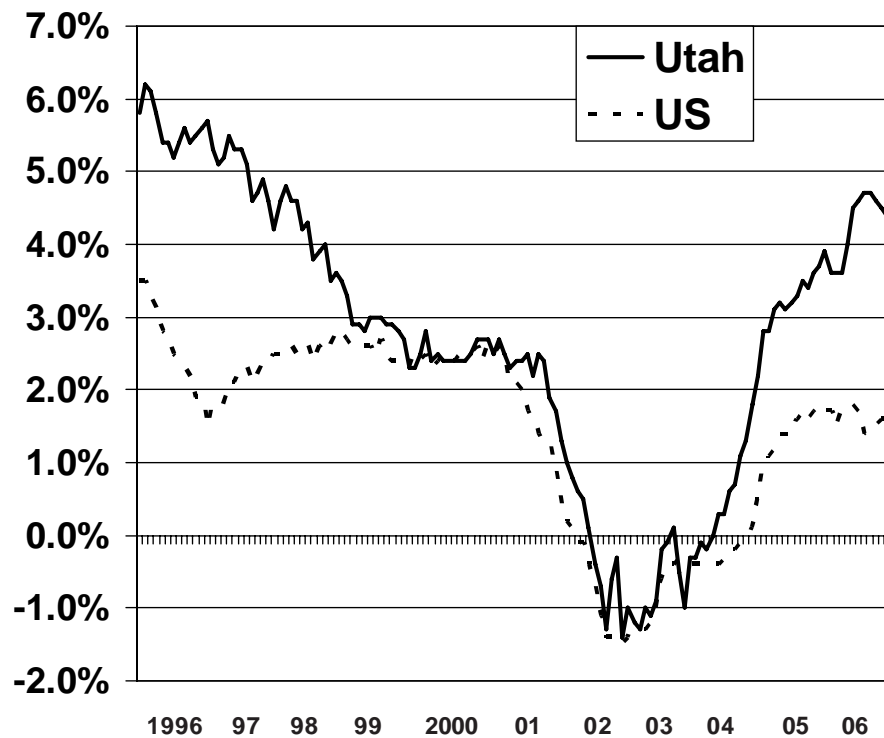
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## Utah Nonagricultural Jobs by Industry and Components of the Labor Force

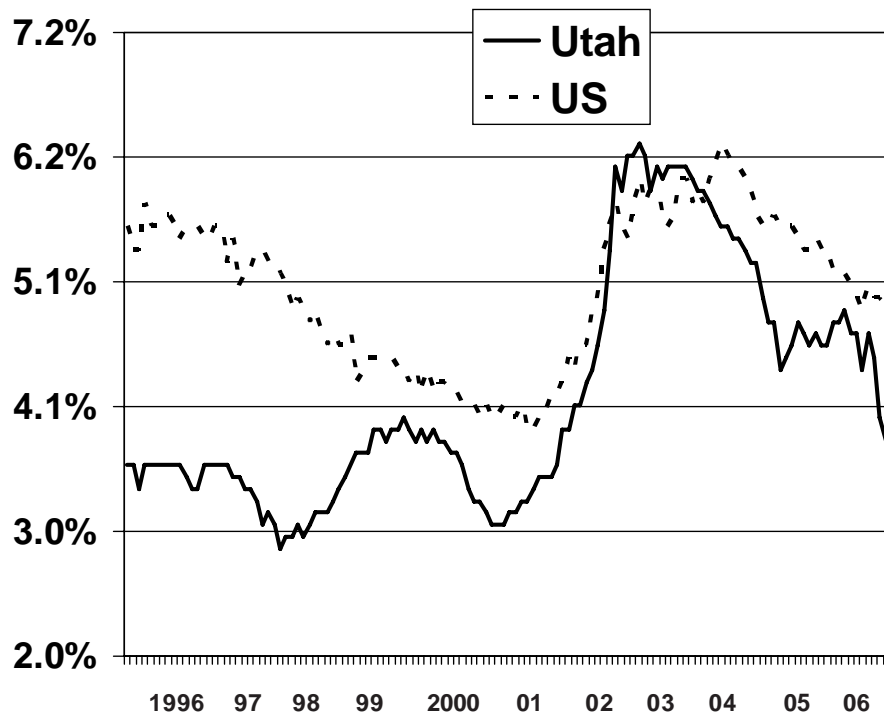
Numbers are in thousands and are <u>not seasonally adjusted.</u>	February(f) 2006	February 2005	Percentage Change	Jan.(r) 2006	Jan. 2005	Percentage Change
<b>CIVILIAN LABOR FORCE</b>	<b>1,300.3</b>	<b>1,252.1</b>	<b>3.8</b>	<b>1,276.4</b>	<b>1,245.2</b>	<b>2.5</b>
Employed	1,245.8	1,190.2	4.7	1,223.7	1,186.4	3.1
Unemployed	54.5	61.9	-12.0	52.7	58.8	-10.4
Unemployment Rate	4.2	4.9		4.1	4.7	
<b>NONAGRICULTURAL EMPLOYMENT (Thousands)</b>	<b>1,166.9</b>	<b>1,117.6</b>	<b>4.4</b>	<b>1,161.1</b>	<b>1,111.0</b>	<b>4.5</b>
<b>GOODS PRODUCING</b>	<b>208.6</b>	<b>195.3</b>	<b>6.8</b>	<b>207.8</b>	<b>194.2</b>	<b>7.0</b>
<b>Natural Resources, and Mining</b>	<b>9.2</b>	<b>7.8</b>	<b>18.1</b>	<b>9.1</b>	<b>7.6</b>	<b>19.8</b>
<b>Construction</b>	<b>81.5</b>	<b>72.0</b>	<b>13.1</b>	<b>80.6</b>	<b>71.2</b>	<b>13.2</b>
Construction of Buildings	18.2	16.1	13.1	18.0	15.9	13.2
Heavy and Civil Engineering	7.2	6.7	8.3	7.2	6.6	
Specialty Trade Contractors	56.1	49.3	13.8	55.4	48.6	13.9
<b>Manufacturing</b>	<b>117.9</b>	<b>115.5</b>	<b>2.1</b>	<b>118.1</b>	<b>115.4</b>	<b>2.3</b>
<b>Durable Goods</b>	<b>79.0</b>	<b>77.1</b>	<b>2.5</b>	<b>78.9</b>	<b>76.8</b>	<b>2.7</b>
Primary and Fabricated Metals	15.3	14.8	3.6	15.3	14.8	3.8
Computer and Electronic Products	11.1	11.0	0.6	11.0	10.9	0.7
Transportation and Equipment Manufacturing	14.4	14.1	2.2	14.4	14.1	2.1
<b>Non-Durable Goods</b>	<b>39.0</b>	<b>38.4</b>	<b>1.5</b>	<b>39.2</b>	<b>38.5</b>	<b>1.7</b>
Food Manufacturing	13.1	13.5	-3.0	13.2	13.6	-3.0
Printing and Related Support Activities	6.7	6.8	-1.1	6.7	6.8	-1.1
<b>SERVICES PROVIDING</b>	<b>958.3</b>	<b>922.3</b>	<b>3.9</b>	<b>953.3</b>	<b>916.8</b>	<b>4.0</b>
<b>Trade, Transportation, and Utilities</b>	<b>226.7</b>	<b>218.8</b>	<b>3.6</b>	<b>228.0</b>	<b>219.6</b>	<b>3.8</b>
<b>Wholesale Trade</b>	<b>44.3</b>	<b>42.0</b>	<b>5.6</b>	<b>44.1</b>	<b>41.8</b>	<b>5.5</b>
<b>Retail Trade</b>	<b>134.0</b>	<b>130.8</b>	<b>2.4</b>	<b>135.8</b>	<b>132.4</b>	<b>2.6</b>
Motor Vehicle and Parts Dealers	17.0	16.3	4.3	17.0	16.3	4.3
Food and Beverage Stores	22.3	21.9	1.5	22.1	21.8	1.7
General Merchandise Stores	25.4	25.6	-0.5	26.4	26.6	-0.7
<b>Transportation and Utilities</b>	<b>48.4</b>	<b>45.9</b>	<b>5.4</b>	<b>48.0</b>	<b>45.4</b>	<b>5.8</b>
Utilities	4.0	3.9	3.2	4.0	3.9	2.8
Transportation & Warehousing	44.4	42.1	5.6	44.1	41.6	6.0
Air Transportation	6.9	6.5	5.8	6.9	6.1	13.1
Truck Transportation	17.3	16.9	2.2	17.3	16.9	2.3
<b>Information</b>	<b>33.0</b>	<b>31.5</b>	<b>4.9</b>	<b>32.5</b>	<b>31.0</b>	<b>5.1</b>
Publishing Industries	9.4	9.0	4.6	9.4	9.0	4.4
Motion Picture and Sound Recording	4.9	4.6	7.9	4.8	4.4	9.2
Telecommunications	5.7	5.7	0.4	5.7	5.7	0.7
Internet Service Providers	8.2	7.7	7.1	8.0	7.4	9.0
<b>Financial Activities</b>	<b>69.1</b>	<b>66.0</b>	<b>4.7</b>	<b>68.6</b>	<b>65.5</b>	<b>4.7</b>
Finance and Insurance	51.9	50.0	3.9	51.6	49.6	4.0
Real Estate and Rental and Leasing	17.2	16.0	7.5	17.1	15.9	7.1
<b>Professional and Business Services</b>	<b>150.7</b>	<b>139.4</b>	<b>8.1</b>	<b>149.4</b>	<b>138.2</b>	<b>8.2</b>
Professional, Scientific, and Technical Services	57.9	53.4	8.6	57.0	52.4	8.8
Architectural, Engineering, and Related	10.7	9.8	8.6	10.6	9.7	8.6
Computer Systems Design and Related	13.2	11.5	14.4	13.1	11.4	14.8
Management of Companies and Enterprises	20.9	20.8	0.5	20.9	20.8	0.6
Administration & Support						
& Waste Management & Remediation	71.9	65.3	10.1	71.6	65.0	10.1
Employment Services	23.7	19.8	19.7	24.2	20.2	19.4
Business Support Services	17.4	18.2	-4.1	17.3	18.0	-4.0
<b>Education and Health Services</b>	<b>133.3</b>	<b>128.0</b>	<b>4.1</b>	<b>132.1</b>	<b>126.9</b>	<b>4.1</b>
Educational Services	31.1	29.8	4.2	30.6	29.4	4.2
Health Services and Social Assistance	102.2	98.2	4.0	101.4	97.5	4.1
Ambulatory Health Care Services	38.7	36.9	5.0	38.5	36.6	5.0
Hospitals	29.5	28.6	3.1	29.2	28.4	2.9
Nursing and Residential Care Facilities	19.1	18.5	3.7	19.0	18.3	4.1
Social Assistance	14.8	14.2	4.1	14.7	14.1	3.9
<b>Leisure and Hospitality</b>	<b>104.8</b>	<b>102.2</b>	<b>2.5</b>	<b>103.6</b>	<b>100.9</b>	<b>2.7</b>
Arts, Entertainment, and Recreation	17.2	16.5	4.1	17.1	16.3	5.2
Accommodation and Food Services	87.6	85.7	2.2	86.5	84.6	2.2
Accommodation	17.1	16.7	2.9	16.9	16.4	2.8
Food Services and Drinking Places	70.4	69.0	2.0	69.6	68.2	2.1
<b>Other Services</b>	<b>33.3</b>	<b>32.5</b>	<b>2.6</b>	<b>33.2</b>	<b>32.4</b>	<b>2.3</b>
<b>Government</b>	<b>207.4</b>	<b>203.9</b>	<b>1.7</b>	<b>205.9</b>	<b>202.3</b>	<b>1.8</b>
<b>Federal Government</b>	<b>35.4</b>	<b>34.6</b>	<b>2.5</b>	<b>34.9</b>	<b>34.1</b>	<b>2.5</b>
Federal Defense	16.3	16.1	1.5	16.3	16.0	1.7
Other Federal Government	19.1	18.5	3.3	18.6	18.0	3.2
<b>State Government</b>	<b>64.3</b>	<b>63.2</b>	<b>1.8</b>	<b>63.9</b>	<b>62.7</b>	<b>1.8</b>
State Schools	35.9	35.3	1.5	35.4	34.9	1.5
Other State Government	28.4	27.8	2.1	28.4	27.8	2.1
<b>Local Government</b>	<b>107.7</b>	<b>106.2</b>	<b>1.4</b>	<b>107.1</b>	<b>105.5</b>	<b>1.5</b>
Local Education	64.0	63.4	0.9	63.4	62.8	0.9
Other Local Government	43.7	42.8	2.1	43.8	42.8	2.4

Source: Utah Department of Workforce Services f = forecast r = revised March 21, 2006

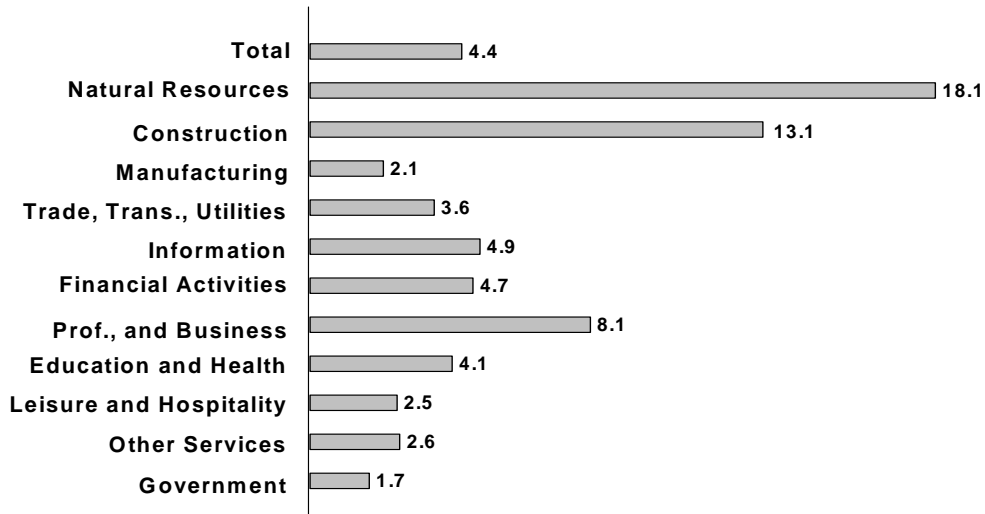
## Year-Over Percent Change in Nonfarm Jobs



## Seasonally Adjusted Unemployment Rates

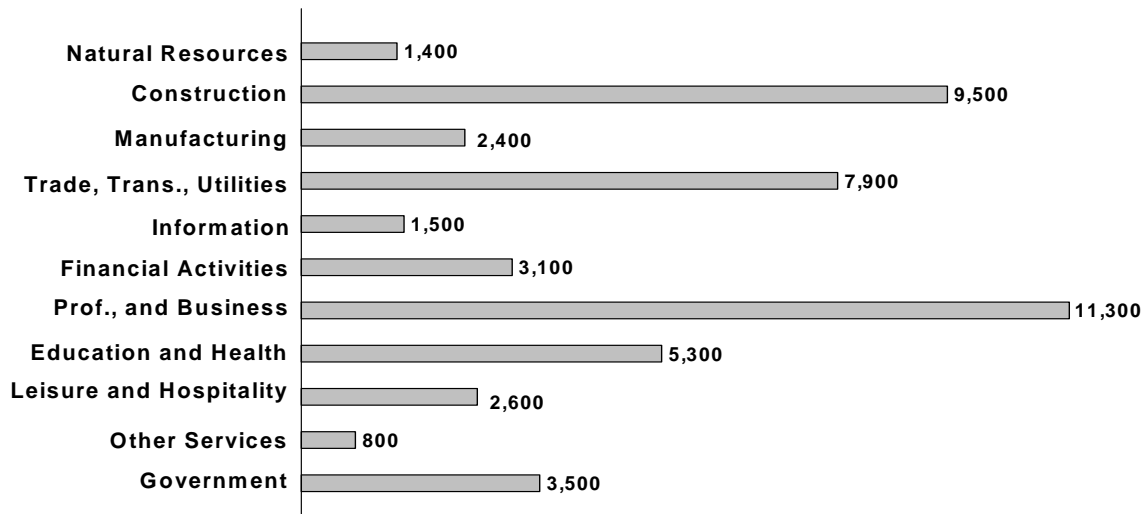


## Utah Nonfarm Job Growth (Percent Change) February 2005 – 2006



Source: Utah Department of Workforce Services

## Utah Nonfarm Job Growth (Numeric Change) February 2005 – 2006



Source: Utah Department of Workforce Services

## NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	February 2006(f)	February 2005	Percent Change	Jan. 2006(r)	Dec. 2005(r)
<b>State Total</b>	1,166,928	1,117,788	4.4	1,161,138	1,187,698
<b>Bear River</b>	67,056	65,683	2.1	67,162	68,532
Box Elder	19,035	18,083	5.3	19,136	19,420
Cache	47,485	47,051	0.9	47,500	48,554
Rich	536	549	-2.3	526	558
<b>Wasatch Front</b>	765,381	737,131	3.8	762,639	780,898
<b>North</b>	187,470	182,961	2.5	186,390	191,923
Davis	95,016	92,036	3.2	94,679	97,639
Morgan	1,800	1,801	0.0	1,825	1,842
Weber	90,654	89,124	1.7	89,886	92,442
<b>South</b>	577,911	554,170	4.3	576,249	588,975
Salt Lake	563,118	541,027	4.1	561,757	574,680
Tooele	14,793	13,143	12.6	14,492	14,295
<b>Mountainland</b>	200,787	190,478	5.4	199,252	203,128
Summit	22,713	20,803	9.2	22,510	22,050
Utah	172,051	164,214	4.8	170,793	175,001
Wasatch	6,023	5,461	10.3	5,949	6,077
<b>Central</b>	22,683	21,956	3.3	22,541	23,185
Juab	3,128	2,981	4.9	3,070	3,054
Millard	3,813	3,683	3.5	3,813	3,915
Piute	278	302	-7.8	293	311
Sanpete	7,110	6,928	2.6	7,019	7,239
Sevier	7,455	7,230	3.1	7,443	7,732
Wayne	899	832	8.1	902	934
<b>Southwestern</b>	71,959	66,290	8.6	71,036	72,420
Beaver	1,952	1,868	4.5	1,927	1,947
Garfield	1,756	1,741	0.8	1,754	1,813
Iron	16,691	15,625	6.8	16,436	16,628
Kane	2,488	2,348	6.0	2,491	2,719
Washington	49,073	44,708	9.8	48,428	49,313
<b>Uintah Basin</b>	18,569	16,912	9.8	18,410	18,613
Daggett	367	347	5.8	365	381
Duchesne	6,021	5,462	10.2	5,945	6,023
Uintah	12,181	11,103	9.7	12,100	12,209
<b>Southeastern</b>	20,492	19,338	6.0	20,097	20,922
Carbon	9,259	8,637	7.2	9,151	9,273
Emery	3,714	3,545	4.8	3,699	3,856
Grand	3,854	3,523	9.4	3,646	3,954
San Juan	3,665	3,633	0.9	3,602	3,839

f = forecast r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 3/21/06